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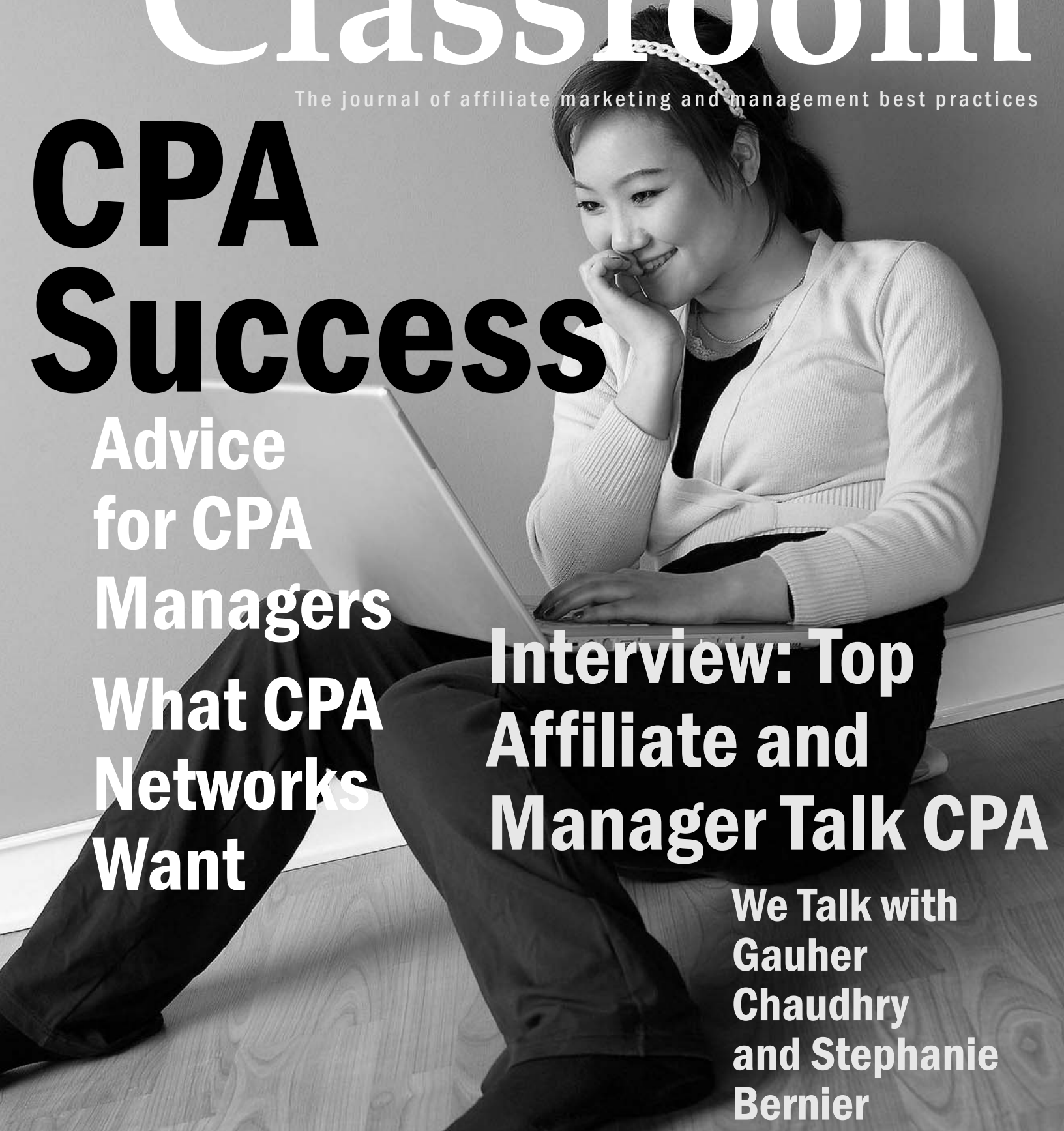
The journal of affiliate marketing and management best practices

CPA Success

Advice
for CPA
Managers
What CPA
Networks
Want

Interview: Top
Affiliate and
Manager Talk CPA

We Talk with
Gauher
Chaudhry
and Stephanie
Bernier



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TABLE OF CONTENTS

COVER STORY

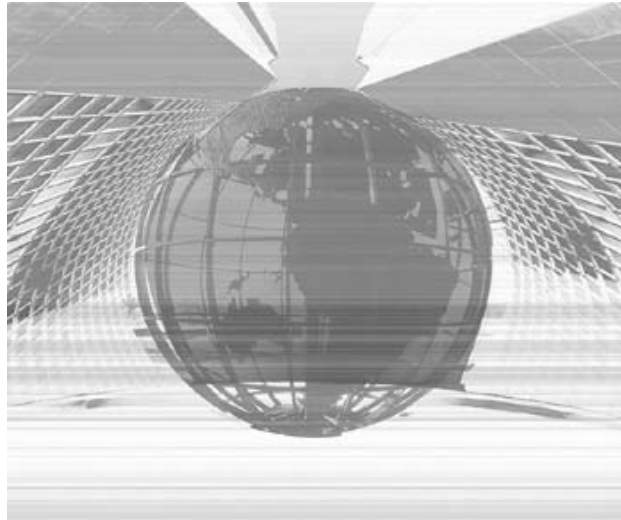
CPA Manager & Affiliate Interview

Helen Montgomery sits down with Gauher Chaudhry and Stephanie Bernier

Page 2



9 **Dear Miss Management**
Advice for CPA Managers



11 **What CPA Networks Want**
Tips and advice to make yourself irresistible

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Staff, Helen Swann Montgomery, Managing Editor
Affiliate Classroom, Inc.™ 387 Technology Drive, College Park, MD 20742

COVER STORY

CPA Manager and Affiliate Interview

Helen Montgomery with Stephanie Bernier and Gauher Chaudhry



Gauher Chaudhry is the author of the Pay Per Click Formula www.PayPerClickFormula.com system that is the first comprehensive course that teaches individuals how to make money with CPA offers from pay per click traffic.

Gauher is well known in the CPA affiliate industry and consistently grosses over six-figures per month simply driving paid traffic from search engines such as Google, Yahoo and MSN to CPA offers hosted by dozens of CPA networks.

Gauher has spent the last year dedicated to teaching and training students on how to use the Pay Per Click Formula system and now has students grossing as high as \$300,000 per *month* simply sending paid traffic to CPA networks.

Recently Helen Montgomery, editor of Affiliate Classroom Magazine, sat down with Stephanie Bernier, affiliate manager for Primary Ads (a division of Kowabunga Technologies) and Gauher Chaudhry, a very successful CPA affiliate and author of the home study course, The Pay Per Click Formula, to talk about CPA marketing and the relationship between the affiliate manager and the affiliate, and to gain some insight into CPA marketing.

Helen: Our CPA manager is Stephanie Bernier, the affiliate manager at Primary Ads, which is a part of Kowabunga Technologies. And our CPA affiliate is a well known name in Internet marketing circles, Gauher Chaudhry, who is not only a successful CPA affiliate but is the author of The Pay Per Click Formula. This is a home study course for publishers who want to, I guess you could say, crack the code for brokering traffic to CPAs through paid search.

Gauher: Yes, Pay Per Click Formula is basically a PPC system that explains how to drive traffic to CPA offers. I've known Stephanie for years and she knows that I am predominantly a pay per click marketer. That's what I've been doing for years. So my course basically concentrates on strictly pay per click traffic to CPA offers - and kind of beating Google, Yahoo, MSN, Look Smart, Ask.com and all the other pay per click search engines to drive cheap traffic that converts into quality leads.

Helen: That's an interesting idea. I know it's not easy for many publishers to actually find that balance between what they are paying per click and what a CPA offer, even if it's a high converting offer, can pay. So that really is an interesting focus of your course.

Gauher: Well, it's really a numbers game. As long as you are on top of the numbers and you know what your conversions are. After that, as long as the traffic is consistent, you can pretty much predict what your profit is going to be.

Helen: Stephanie, maybe I should let you jump in here, and first of all tell us a little bit about your background and how you became a CPA affiliate manager.

COVER STORY

Stephanie: I attended college at the University of Rhode Island and obtained a Bachelor's degree in Communications. After graduating, I went to work for the US Food and Drug Administration. I was a public affairs specialist in Washington DC for close to 10 years.

In 1998 I moved to Florida and I started my career as an affiliate manager with a small CPA network specializing in financial offers. I was with them for about 7 years. Now I'm with PrimaryAds and have been with them for over 3 years. I've been in the Affiliate Marketing field for over 10 years now.

Helen: And was it just the luck of the draw that Gauher ended up being one of the publishers you were managing?

Stephanie: Gauher signed up with us years ago. You've been with us almost from the start, Gauher, I think, right?

Gauher: Yeah, I must have signed up close to the start of Primary Ads. And I didn't do anything for years.

Helen: Why not?

Gauher: I was reluctant to even get into CPA because at the time, CPC (Cost Per Click) was hot. [With CPC,] there was no action required. The person just needed to click and you'd make money off the click. That was before the fraud saturated the CPC market and pretty much ended that. Then it was almost a fluke, I think, in 2004 that I got heavily involved in CPA and Pay Per Click, and Primary Ads was actually the first network that I started driving some serious traffic to.

Helen: Actually, on your promotion page for Pay Per Click Formula, Gauher, you even mention Primary Ads a few times, and it sounds like they were sort of the first ones that you had success with.

Gauher: Like I said, Helen, it was a complete fluke in 2004. I had set up a review site for a number of offers, but back then, Cost Per Sale was hot — you'd get an affiliate commission of 20% or 30%. At the very bottom of the page, I just linked to Primary Ads, and I said, "Well, why not give it a shot?" and I stuck a similar offer at the bottom of the page. One of the things that I noticed was that none of the per-sale offers were converting, but this little small offer buried at the bottom of the page was driving in three or four leads a day. So, I completely changed my philosophy, just drove all the traffic to that one offer, and the rest is history.

Stephanie Bernier

**Born: March, 1970
Madison, WI,**

**Attended Falmouth High School, Falmouth, MA.
Bachelor's Degree in Communications from the University of Rhode Island.**

**February 2005 – Present -
Affiliate Manager,
PrimaryAds/Kowabunga!
Clearwater, FL**

**1998 – 2005 - Affiliate
Manager for Online
Marketing Company, FL**

**1991 – 1998 – Public
Affairs Specialist, US
Food and Drug
Administration, Wash., DC**

**Married and have one
daughter; family residing
in Florida.**



COVER STORY



Qualifying as a CPA Marketer:

Helen: I'd like to turn to the question of how publishers get into CPA marketing. Stephanie, what are the criteria for a marketer to be accepted at Primary Ads?

Stephanie: Well here's a little background on how a potential new affiliate is able to join Primary Ads. Affiliates are able to submit an application to become a PrimaryAds Affiliate from our site. We have a short form where they can sign up and it gives us all the information that we need to be able to qualify them.

We have an employee who is assigned to the task of carefully reviewing the details of each individual application, and either approving or denying the application. For example, those affiliates who are prime matches for PrimaryAds are: email affiliates who are owners of large opt-in email lists; search affiliates; pay per click affiliates that utilize pay per click search engines to promote CPA offers; any type of high volume website such as a shopping site or a directory.

Also content and niche sites, including product review sites such as comparison websites, those are all good candidates. And these sites can entail almost any verticals, such as home improvement, dating, social networking, retail, etc.

High traffic websites are always more desirable because they'll be the ones driving the most volume to our offers. Personal websites are not generally a good match for CPA.

Located on the PrimaryAds website is a short form where they can sign up, and it gives us all the information that we need to be able to qualify them. The details of the application are carefully reviewed and the application is either approved or denied.

How Marketers Choose CPA Networks:

While the CPA networks carefully screen marketers, the top marketers also screen CP networks, and apparently, the choice comes down to the bottom line.

Helen: Gauher, what are the things that you think the CPA affiliates are looking for when they are comparing offers across various networks? What's the tiebreaker? Is having a relationship with a CPA manager important, and what other things affect your decision of working with a particular network?

Gauher: I think that the number one thing is payout. I think that will overcome any relationship with CPA management at the end of the day. Even if you have a great relationship with your CPA manager, if you can go

COVER STORY

to another CPA network and get a higher payout, especially if you are paying for the traffic, you're going to go where the higher payout is. It just makes sense if you want to make more money.

The only time that I usually take a cut from a CPA network, and Stephanie knows this, is if they offer better tracking. There are so many times I've come back to Primary Ads - even if they are a nickel or a dime cheaper - and it is simply because they provide sub ID tracking.

For a pay per click marketer it's almost mandatory that you have the ability to track down to the traffic force, the keyword, and the ad group to find out what is converting and what is not converting.

Google's Affect on CPA Marketing:

The group moved on to discuss Google's advertising policies and requirements, and how they have affected the CPA marketer.

Helen: Given what's been happening with AdWords recently, are you finding that it's no longer enough to just build a landing page? That driving traffic directly to the offer isn't going to necessarily get you the best relationship with AdWords?

Gauher: You could probably only direct link maybe 20-30% of the time, because for a lot of these advertisers, Google will not allow their websites to be displayed in the landing URL. They've been jacked up to 5 and 10 dollar bids because Google doesn't feel that those sites provide a good user experience.

So what you're seeing is a lot of CPA marketers have to create their own websites, and it's not just as simple as putting a five or six page website together. You have to follow all of the natural SEO rules such as building proper link structures and using LSI (latent semantic indexing) - I could get into all of this complicated natural SEO jargon, but that's the route that a lot of us have to take. And that's why you are seeing a lot of these page generators and website generators being created - to help pay per click marketers get around these rules.

Just back in December, I took a huge hit from a Google slap that virtually wiped out an offer that normally would have brought me about \$200,000. I couldn't control that, but there was also no way that I could allow that site not to show up in Google! So what I did was, I literally spent 8 hours building a website - with all the components Google links - in one day. Lo and behold, when I activated the keywords on Google, thank God, on one of the most highly trafficked key words they gave me a minimum bid of one penny!

So I was able to get that campaign going again. But it took a good 8



COVER STORY

hours to build a manual site. When the Google bot came it could see that there was a contact us link, a privacy policy link, a terms and conditions link, a disclaimer page... everything that you would see if you were to go to a natural site - like a shopping website or something that was an authoritative website with Google. It took a lot of work, but at the end of the day I was able to salvage the campaign and do well with it.

Helen: And get a great cost per click out of it, too.

Gauher: Well, it was great because it was an email and zip offer. Any time you can get a minimum bid of a penny, it makes me much more competitive. Once minimum bids - especially for email and zips - start creeping up to 25 or 30 cents or 35 cents, it gets really, really hard to make any money.

Helen: Stephanie, what do you think of Google's insistence on having the best user experience and publishers needing to take the time to build sites that have content? Does this affect for example how many advertisers you can get, or the types of advertisers?

Stephanie: The industry has just evolved so much ever since it started...from email marketing to the new CAN SPAM regulations to search and pay per click. Years ago you could just slap up an affiliate link and submit it to Yahoo or Google and you'd get clicks and make money. 10 years ago it was so simple and you didn't have anywhere near the competition that there is today.

Google of course wants to keep things honest, they want their users to be happy, and they are fearful of "scams" and fraud. So it's been really tough for our search guys who utilize Google. It's just been up and down.

We have affiliates who were earning a couple of thousand dollars a day a couple of years ago in Google, and now some are doing nothing because they may not be working as hard at it as Gauher. Every other week there seems to be a new slap or a new regulation or new rules, which means that affiliates need to quickly change their strategies.

Like Gauher was saying, one day he had to dedicate solely to getting this site back up. It affects everybody....the revenue for networks and obviously for the affiliates. The good old days were a lot easier!

There's lots of other good search engines, of course, but Google really is predominant. Ringtones - which area part of the mobile phone industry are one of the primary offers that our top earning



COVER STORY

search marketers run and do very, very well with. But this vertical is extremely competitive. The advertisers need to actually create Google-compliant landing pages for these offers, because Google has introduced it's own ideas of what it feels the offer must have on the page. It is definitely very difficult.

Helen: That's interesting. So advertisers are also actually aware of the fact that Google wants that quality destination site, and they are offering the right types of creatives.

Stephanie: Right.

Gauher: Right.

Stephanie: They have to because they want the traffic. They need to make their offers compliant by Google's standards so they'll be accepted by Google. If they want the traffic, and they want volume to their offer, it's just something that they have to do.

How Merchants Work With CPA Networks:

Helen asked Stephanie just how "hands-on" the merchants were when it came to the details of advertising that would be done on their behalf.

Helen: Stephanie, are advertisers interested in which search engine an affiliate is getting traffic from? Or do they not want to deal with those details and are more interested in just the bottom line?

Stephanie: For advertisers in general, it's different for each specific offer. For example, you may have an offer that only allows email traffic, and then you'll have your other offers that allow ONLY search. <Most of them allow search, web placement and email.

Generally there are no restrictions over which search engine an affiliate can use. Every once in a while, an advertiser may say, "Do not market this offer via Google," and that is likely for competition sake that they may have their own placements that they don't want to jeopardize. In that instance, you could only run the offer on the smaller search engines. Typically they don't make any demands or say, "Run the offer in this search engine" over the other ones. This would be an example of a potential search engine restriction, which are pretty few and far between.

How CPA Networks Work with Publishers:

Publishers are, of course, looking for the "biggest payout." The competition is stiff



COVER STORY

and Helen asked Stephanie how, as an affiliate manager, she deals with her affiliates when another CPA network makes a better offer.

Stephanie: We place all of our offers on the network with standard rates, however for affiliates that can drive quality volume, such as Gauher, I try to get them a higher payout because I know they are paying for the traffic and can deliver large amounts of quality traffic. The affiliates also need to be able to make the offers work for them on the back end where they can earn enough revenue to continue running the offer with a profit margin. Payouts can definitely be competitive with the offers that are out there today. There can be cross over with other networks having similar or exact same offers. Affiliates can really pick and choose amongst all of the affiliate networks. A certain network may have an identical offer at 15 cents more than another one.

Generally, your better affiliates will come to you and they'll say, "Hey, Stephanie, I found the same offer on ABC network. Can you match the rate or increase my rate?" I'll always do my best to beat that rate or at least match it to get them to run the offer with us.

Helen: So how do advertisers feel about that? Are they in general amenable to that kind of thing? Or do you find that's a hard sell?

Stephanie: They pay us a certain rate, so it doesn't affect them. They are paying us, so it is our pocket that it comes out of.

On the Future of CPA Marketing:

Helen: Stephanie, what do you think about where the industry is going? Where Primary Ads may be going? Any innovations or things that may be coming up in the future?

Stephanie: The business sector is now using CPA affiliate marketing more and more. CPA has been and still is a prominent compensation method and the favored model by most advertisers. Roughly 80% of advertisers use the CPA compensation method. As it is truly revenue sharing, it is the safest and ultimately the most profitable of all.

I see good things. You've got new businesses everyday that are just getting into the CPA market who never were before, so I see it. Continuing to grow exponentially.

Gauher: Yes, if they are interested in getting into the PPC/CPA game, then this might be the right course of action for them.

Helen: Great! Well, thank you two so much. Hopefully we can bring you both back at some point for some more insights into the CPA market.



MANAGER'S PERSPECTIVE

Dear Miss Management Advice for CPA Managers

by Debra Rabin



Affiliates seek the best payout, but what they really want is the offer that will convert the best for them. As an affiliate manager, you should take the time to ask questions of your affiliates, and keep good notes on these conversations.



The newspapers started advice columns with Dear Abby and Ann Landers. If you listen to AM radio, you've probably heard Dr. Laura, and if you watch TV, you may have seen Suze Orman's financial advice show. Everyone needs some good advice sometimes, and from what we read on blogs in our industry, it seems like the time is right to launch an advice column for affiliate managers.

Let's call it "Dear Miss Management," which is probably how most affiliates feel after dealing with the affiliate managers employed at Networks and big Advertisers today. It can't be fun to be an affiliate looking for help, and yet an enterprising affiliate manager can win a lot of supporters by being honest and helpful when working with affiliates.

Which Offers to, Well, Offer

Dear Miss Management:

I feel like I'm being torn in pieces. My affiliates want to know what our best offers are, but my network manager wants me to push the offers we make the biggest override on. What should I do?

Signed, Frustrated

Dear Frustrated;

Yes, there are days when it feels like the whole world wants to tear off a piece of you. Let's examine what your affiliates really want, what your management team really needs and what the best course of action is, and maybe we can find the answer that will make everyone happy.

Your affiliates are seeking the best payout, but what they really want is the offer that will convert the best for them. Each affiliate is different, just like snowflakes! Take the time to ask questions of your affiliates, and keep good notes on these conversations. Ask them the following:

What types of offers usually convert best for you? Short lead forms, long applications, zip submits, cost-per-sale, or cost-per lead? This information will help guide you to the next question.

What verticals provide the affiliate with the best conversions? Have they been

MANAGER'S PERSPECTIVE

sending ring tones and dating offers? Stick with that youth market and ask them to send the Tattoo removal offer! They like to send traffic to their shopping site? Keep it seasonal, and give them a spring- or summer-based offer, such as a coupon for lemonade in May rather than Christmas gifts.

Now we have to deal with your management and find out what they really want:

Are they telling you to push an offer because it is new, or has a fabulous payout that really benefits your company's bottom line? Well, bottom lines can grow from any offer, so give your management team what they really want — profits! That means listen to your affiliate (see points 1 and 2 above) and your management will get the profits they seek.

You really need to present the new offers, so do it. And then take notes on all the comments and feedback you get from your affiliates. Managers usually want to know what is going on at street level, and you are in the best position to provide that important information. Just keep it positive!

Signed, Miss Management

Number Crunching

Dear Miss Management,
My affiliates always want to know all the statistics on every offer I present to them. Why do they need an EPC or eCPM anyway? Can't they just take my word for it?

Signed, Math Challenged

Dear Math Challenged;

Have you ever wondered why those pesky affiliates always ask the hard questions? Because they need the information! Make it a regular practice to have your current EPC or eCPM information and hand it out generously to your affiliates and potential affiliates.

The best affiliates are constantly looking for information to guide them in selecting the offers they can successfully promote. Give them the information they need, and build loyalty. That's right — you provide the information they request, and in return you'll end up with loyal publishers!

Signed, Miss Management

About the Author

Debra Rabin is the head of Business Development at the LinkValu Affiliate Network (www.linkvalu.com), home of AmericanLifeDirect.com, the largest seller of e-commerce life insurance on the Internet. Mrs. Rabin is an active affiliate recruiter and manager, and an advocate for affiliate training. A contributing author for Affiliate Classroom Magazine, Mrs. Rabin's articles have taught thousands of affiliates how to adhere to industry best practices and build good working relationships with merchants.

As an affiliate manager, you should make it a regular practice to have your current EPC or eCPM information and hand it out generously to your affiliates and potential affiliates. The best affiliates are constantly looking for information to guide them in selecting the offers they can successfully promote. Give them the information they need, and build loyalty.



What CPA Networks Want

by Rachel Honoway

www.affiliateclassroom.com



If you'd like to join a CPA network, you're going to have to establish your proven ability to send high volumes of traffic and your trustworthiness



CPA networks are known for being extremely picky when it comes to approving affiliate applications. If you're thinking about applying for a CPA network, there are a few things that you should know before you jump in.

Why They Are So Picky

First, it may help to understand why CPA networks are so picky. Their choosy nature stems from the demands placed on them by the advertisers.

When advertisers decide to work with CPA networks, they agree to completely forfeit transparency. This means that they don't know who the affiliates are or how they are generating traffic.

To retain some amount of control over their offers and their brands, the advertisers usually give the networks very specific guidelines on what types of affiliates can and can't participate. They also stipulate what marketing methods affiliates can use — from email to PPC and even banner placements.

Even with all of these "rules" in place, CPA networks are still expected to drive:

- High volumes in a short amount of time.
- High-quality leads that pass the advertisers' scrubbing processes.
- Leads that aren't already in the advertisers' databases.

How They Meet These Demands

In order to meet the advertisers' volume, quality, and freshness demands while staying within their dictated guidelines, CPA networks choose to work with a small, controlled group of affiliates that they know and trust.

This allows them to spend their time working one on one with affiliates, optimizing offers and promotions to drive significant volume. Since they're not working with newer affiliates or affiliates that they don't know and trust, they don't have to dedicate resources to either fraud detection and prevention or affiliate support and training.

What CPA Networks Want to See in a New Affiliate

If you'd like to join a CPA network, you're going to have to establish your proven ability to send high volumes of traffic and your trustworthiness.

CPA networks want affiliates with one or more of the following:

- Well-ranked sites in the search engines (first-page results for highly searched words and phrases)
- Large lists of opt-in email addresses
- Existing PPC campaigns

CPA NETWORKS CONTINUED....

- A large network of websites with mass-market appeal

If you have one or more of the above when you apply, a CPA network will probably look at your application. Most will take it a step further and do some research on you before accepting you.

They'll be looking at:

- The volume of traffic to your sites and your link popularity/PageRank and Alexa scores
- Existing campaigns (if they are online)
- Any previous allegations of spam or black-hat tactics

What CPA Networks DON'T Want

CPA networks don't want affiliates that haven't built up a following or have done so with unethical tactics.

They won't accept you based on intentions to drive traffic, intentions to build a list or intentions to spend on PPC. You have to have these items in place before joining.

They also won't accept you if they find blemishes on your record. If you've been accused of spam, black-hat tactics, or any unethical marketing techniques, it will take a big explanation and proof that you've corrected your ways before they'll give you a chance.

A Tip for Getting Past the Gatekeeper

If you think that you do have what CPA networks are looking for, here's a quick tip for getting past the CPA gatekeeper and getting your application viewed and approved: **send them an email.**

The letter should let them know that you've applied and should give them a few details about your traffic-driving abilities. Here are some items to include:

- A brief explanation of how you drive traffic to your sites, or how you build your lists.
- A list of your top 10 domains
- Your overall reach (# of subscribers, visitors, etc.)
- Your average conversion rate

Though they are picky, CPA networks are always on the lookout for great new affiliates to add to their inner circles. So, don't be afraid to apply — just be prepared with the right information and approach it aggressively and you'll improve your chances of getting approved and on your way to earning top commissions.

About the Author

Ms. Honoway has a long history of experience in the affiliate marketing and interactive marketing space dating back to 1997 when she began working as an intern for KowaBunga! Technologies, maker of the MyAffiliateProgram (myAP) affiliate tracking and management platform. Immediately after graduating from Eastern Michigan University with a marketing-focused BBA, she launched her full time career as KowaBunga's Director of Marketing. Throughout the 8 years that followed, she held the positions of VP of sales and marketing and general VP. A year after the company's acquisition in 2005 by Think Partnership Inc., she was promoted to the corporate level and served as the company's VP of marketing and later as its VP of marketing and client services. Talk to Rachel about your Affiliate Management needs. Email her at Rachel@affiliateclassroom.com.



CAUTION
Do NOT write a letter stating that you know that you can be a good affiliate and that you can drive massive amounts of traffic if they just give you a chance. CPA networks receive and delete hundreds of these messages every week! You should apply and write a letter ONLY if you are already able to drive traffic.

Thanks for reading! Next month you will learn all about CPA and get tips from CPA affiliates and managers. Get the next issue here:
www.affiliateclassroom.com/magazine.php